

Travel Promotion Act Passes House, Heads to Senate for Final Approval

WASHINGTON – The U.S. House of Representatives voted last night to pass a bill, [co-sponsored by U.S. Rep. Harry Mitchell](#)

to help boost international tourism in the Phoenix-metro area and other U.S. destinations.

“This bill seeks to support Arizona’s tourism industry and our state’s economy by helping to protect jobs and reduce the deficit at no cost to taxpayers,” Mitchell said. “It is a sensible way to increase travel to Arizona and the other parts of our country which has declined since 9/11 and has been exacerbated during these difficult economic times.”

The Travel Promotion Act creates a Corporation for Travel Promotion specifically designed to promote increased international travel to the U.S through advertising, outreach to and other promotional activities. The independent, non-profit corporation will be run by a panel consisting of members who have professional expertise in international travel marketing.

The Scottsdale Convention and Visitors Bureau, the Arizona Office of Tourism and U.S. Travel Association and the U.S. Chamber of Commerce have endorsed the bill. Although the Senate must still vote for final approval of the bill due to procedure, an earlier vote indicated that there is wide bipartisan support in the chamber. The Senate initially passed the bill on September 9, 2009 by a vote of 79-19.

The Act specifies that travel promotion would be paid for by private sector contributions and a \$10 fee on foreign travelers from countries that do not pay \$131 for a visa to enter the United States. The legislation requires no contributions from U.S. taxpayers. [Source: [Business Week](#), May 20, 2009]

Tourism has a multi-billion dollar impact on Arizona's economy. In 2007, travelers spent \$19.3 billion in Arizona equating to almost \$53 million pumped directly into the state's economy every day. Almost 80 percent of all travel spending in Arizona comes from out-of-state and international visitors, which represents new money introduced into the economy. Visitor spending generated 171,500 jobs, \$5.1 billion in employee earnings and \$2.7 billion in local, state and federal taxes in 2007. [Source: [Arizona Hotel and Lodging Association](#)]

The difficult economy has negatively impacted tourism in Arizona. State figures show that the 37.4 million people that visited Arizona in 2008 represented a 3 percent decline from 2007 and that direct spending by visitors was down as well. [Source: [Phoenix Business Journal](#) , July 9, 2009]

In Scottsdale, May 2009 tourism figures show major decreases in occupancy, average daily room rate and revenue per available room. Scottsdale's occupancy in May 2009 was 54.6 percent, a 14.2 percent decrease from 2008 while revenue per available room decreased 30 percent. For the year-to-date, Scottsdale's occupancy is down 13 percent, room rate is down 20.6 percent, and revenue per available room is down 31.0 percent. [Source: [Tourism Industry Measurements](#) , [Scottsdale Convention and Visitors Bureau](#)]

Increasing promotional efforts to boost tourism have proven to be effective. According to the Arizona Hotel and Lodging Association, every \$1 of marketing from the Arizona Office of Tourism generates \$180 in direct visitor spending and \$14.95 in state and local revenue. The association also reports that every dollar the State of Arizona invests in promoting tourism returns \$8 to the state general fund. [Source: [Arizona Hotel and Lodging Association](#)]

While the Senate initially passed the Travel Promotion Act in September, the House approved the bill today as part of a package that, in addition to the Travel Promotion Act, includes H.R. 1035, a bill to amend the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 to rename the Act as the Morris K. Udall and Stewart L. Udall Foundation Act. Mitchell is a cosponsor H.R. 1035, as well as the Travel Promotion Act, H.R. 2935.